



DEPARTMENT OF TRANSPORTATION

Federal Railroad Administration

[Docket No. FRA-2016-0040]

Notice and Request for Comment on Benefit-Cost Analysis Guidance for Rail Projects

AGENCY: Federal Railroad Administration (FRA), Department of Transportation (DOT).

ACTION: Notice and request for comments.

SUMMARY: Section 11313(b) of the Fixing America's Surface Transportation (FAST) Act, Public Law 114-94 (December 4, 2015), requires the Secretary of Transportation (Secretary) to "enhance the usefulness of assessments of benefits and costs for intercity passenger rail and freight rail projects." As directed by Section 11313, FRA is issuing benefit-cost analysis (BCA) guidance (BCA Guidance) to fulfill these requirements and is requesting comments on the BCA Guidance. The BCA Guidance is available at <https://www.fra.dot.gov/Page/P0940>.

DATES: Written Comments: Written comments on the BCA Guidance must be received by [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER].

ADDRESSES: Comments: Comments related to Docket Number FRA-2016-0040 may be submitted by any of the following methods:

- Online: Comments should be filed at the Federal eRulemaking Portal, <http://www.regulations.gov>. Follow the online instructions for submitting comments.
- Mail: Docket Management Facility, U.S. Department of Transportation, 1200 New Jersey Avenue, SE, West Building, Ground Floor, Room W12-140, Washington, DC 20590-0001.
- Hand Delivery or Courier: West Building, Ground Floor, Room W12-140, 1200 New Jersey Avenue, SE, Washington, DC, between 9 a.m. and 5 p.m., Monday through Friday, except Federal holidays.
- Fax: 202-493-2251.

Instructions: All submissions must include the agency name and the docket number for this notice. Note that all comments received will be posted without change to <http://www.regulations.gov>, including any personal information provided.

FOR FURTHER INFORMATION CONTACT: Stephanie Lawrence, Office of Railroad Policy and Development, Federal Railroad Administration, 1200 New Jersey Ave. SE, Washington, DC 20590, (202) 493-1376.

SUPPLEMENTARY INFORMATION:

Section 11313(b) of the FAST Act provides that, not later than 180 days after the date of enactment of the FAST Act, the Secretary must enhance the usefulness of assessments of benefits and costs for intercity passenger rail and freight rail projects by: (1) providing ongoing guidance and training on developing benefit and cost information for rail projects; (2) providing more direct and consistent requirements for assessing benefits and costs

across transportation funding programs, including the appropriate use of discount rates; (3) requiring applicants to clearly communicate the methodology used to calculate the project benefits and costs; and (4) ensuring that applicants receive clear and consistent guidance on values to apply for key assumptions used to estimate potential project benefits and costs.

The BCA Guidance addresses the four requirements specified in the FAST Act and is intended to provide a consistent approach for completing a BCA for intercity passenger rail and freight rail project proposals.

In addition to serving as a valuable tool for defining and narrowing investment alternatives, BCAs are also increasingly a prerequisite to receive financial assistance under Federal investment programs, including those that DOT administers. For example, the two competitive railroad infrastructure improvement grant programs authorized in the FAST Act specifically require the Secretary to consider BCA as a project selection criterion (Section 11301, Consolidated Rail Infrastructure and Safety Improvements; and Section 11302, Federal-State Partnership for State of Good Repair). Moreover, two grant programs administered by the Office of the Secretary that contain rail project eligibilities – the Transportation Investment Generating Economic Recovery (TIGER) program and the Fostering Advancements in Shipping and Transportation for the Long-term Achievement of National Efficiencies (FASTLANE) program – either require or request (depending on the size and other characteristics of the project) a BCA as part of the grant application process.

FRA drafted the BCA Guidance to be consistent with the DOT BCA guidance, which covers a wide range of surface transportation projects (e.g., highways, transit, rail, and ports) under the TIGER and FASTLANE grant programs. The FRA BCA Guidance is intended to

provide greater granularity and specificity to benefit and cost issues associated with intercity passenger rail and freight rail projects.

The BCA Guidance is effective upon the publication of this notice. However, project sponsors and potential applicants for FRA financial assistance programs should refer to the Notice of Funding Opportunity (NOFO) announcement for further instruction regarding the applicability of the BCA Guidance to a particular application or funding program. Due to the timing of the publication of this notice, the BCA Guidance does not apply to applications to the Railroad Safety Infrastructure Improvement Grant program, for which a NOFO was published in the Federal Register on April 29, 2016, with applications due to FRA by June 14, 2016.

As noted, written comments on the BCA Guidance must be received by [INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]. FRA will consider such comments when making potential future revisions to the BCA Guidance. However, FRA will not publically respond to comments received nor will FRA address every comment in potential future revisions to the BCA Guidance.

Issued in Washington, DC, on May 26, 2016.

Sarah E. Feinberg

Administrator.

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